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AGREEMENT FOR  
THE CORPORATE REORGANIZATION  
OF LEE'S SUMMIT COMMUNITY HOSPITAL

Dated as of: March 31, 1989  
Closing On or Before: June 30, 1989

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AGREEMENT FOR THE CORPORATE  
REORGANIZATION OF  
LEE'S SUMMIT COMMUNITY HOSPITAL

THIS AGREEMENT is made and entered into as of the 31st day of March, 1989, by and among LEE'S SUMMIT COMMUNITY HOSPITAL, a Missouri not-for-profit corporation (hereinafter referred to as "LSCH"), SUMMIT HEALTH SERVICES, INC., a Missouri for-profit corporation (hereinafter referred to as "Summit"), and RESEARCH HEALTH SERVICES, a Missouri not-for-profit corporation (hereinafter referred to as "RHS").

- W I T N E S S E T H -

WHEREAS, LSCH is licensed by the State of Missouri to operate a 114-bed acute care hospital located at 530 North Murray Road, Lee's Summit, Missouri (hereinafter referred to as the "Hospital"), and LSCH is exempt from federal income taxation under (501(c)(3) of the Internal Revenue Code of 1986 (hereinafter referred to as the "Code");

WHEREAS, Summit is a wholly owned subsidiary of LSCH which owns a medical office building located near the Hospital and engages in various other health care related businesses in support of the Hospital;

WHEREAS, RHS is exempt from federal income taxation under (501(c)(3) of the Code and serves as the parent holding company for the Research Health Services System ("RHSS"), which is an integrated system of organizations dedicated to the delivery of health care services to the Kansas City metropolitan area and the surrounding region, and which is anchored by RESEARCH MEDICAL CENTER, a Missouri not-for-profit corporation which is exempt from income taxation under (501(c)(3) of the Code and which operates a 536-bed tertiary care hospital located at 2316 East Meyer Boulevard, Kansas City, Missouri (hereinafter referred to as "RMC");

WHEREAS, LSCH and RHS previously signed a Letter of Intent, dated December, 1988 (the "Letter of Intent"), which established principles of agreement for the intended corporate reorganization of LSCH to appoint RHS as the sole member entitled to elect directors, thereby making LSCH a first "tier subsidiary" of RHS and a "sister" corporation to RMC;

WHEREAS, the parties now desire to establish their complete agreement regarding the proposed corporate reorganization of LSCH;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants hereinafter set forth, the parties agree as follows:

## ARTICLE I

### AGREEMENT TO REORGANIZE CORPORATE STRUCTURE OF LSCH

Section 1.1 Corporate Reorganization. Subject to the terms and conditions hereinafter set forth and only upon satisfaction of the conditions to closing established by this Agreement, on the Closing Date (as defined in Section 5.1 hereinafter), LSCH shall amend its Articles of Incorporation and/or By-Laws as appropriate and necessary to:

(a) Convert LSCH from a self-perpetuating Board of Directors form of self-government to a corporation with one "member" as that term is defined by Revised Statutes of Missouri, Chapter 355. The sole member shall be RHS;

(b) Establish a twelve (12) person Board of Directors for LSCH, of which three (3) shall be ex officio Medical Staff members (immediate past president, president and president-elect of the Medical Staff), three (3) shall be designated RHS representatives, and six (6) shall be designated Lee's Summit community representatives. The restated By-Laws shall provide that all non-ex officio directors shall serve three (3) year staggered terms with three (3) directors' terms expiring each year (one (1) RHS representative and two (2) Lee's Summit representatives). Two-thirds (2/3) of the non-ex officio directors shall be residents of the City of Lee's Summit and/or of the Lee's Summit School District at all times. Attached as EXHIBIT A is a listing of the initial members of the Board of Directors for the reorganized corporation and their respective terms of office.

(c) Require that nominees for Lee's Summit representative vacancies be determined by the concurring vote of a majority of the continuing non-RHS representative directors and submitted to RHS for election or rejection. Nominees for RHS representative directors shall be determined by RHS. Non-ex officio vacancies arising upon resignation or removal of a corporate director shall be filled by a qualified RHS or Lee's Summit representative, as appropriate, for the balance of the unexpired term by the same nominating and election procedure;

(d) Provide that removal of a corporate director "in the best interests of LSCH" may be made at any time by RHS, subject to ratification of such removal by the concurring vote of two-thirds (2/3) of the remaining directors;

(e) Provide that amendment of the LSCH By-Laws and/or Articles of Incorporation shall require the concurrence of RHS and two-thirds (2/3) of the Board of Directors;

(f) Require that upon dissolution of LSCH, all of the remaining assets after satisfaction of outstanding debts will be distributed to such organization exempt from federal income tax under Internal Revenue Code (501(c)(3)), or any successor provision thereto, as the Board of LSCH may designate by resolution of the Board subject to approval of such resolution by RHS as sole member;

(g) Adopt the RHSS levels of approval authority for personnel decisions, short-term borrowing through board approved line of credit, capital expenditures, and consulting and legal fees. Currently, for LSCH this will mean the levels of approval authority shown on EXHIBIT B attached hereto will be applicable;

(h) Require that RHS, with the advice of the LSCH Board, make all termination, alteration, modification or other decisions with respect to: (i) The Management Agreement--Coma Care Unit between LSCH and Rebound, Inc. ("Rebound") and any related leases by Rebound of medical office building or satellite building space; and (ii) The Management Agreement between LSCH and HCA Management Company, Inc., except that the HCA Management Agreement may not be terminated prior to expiration of its initial term on June 30, 1991 without consent of the Board of Directors of LSCH;

(i) Require that annual budgets adopted by the Board of LSCH and Summit be subject to approval by RHS; and

(j) Establish such other legally appropriate provisions as mutually agreed by LSCH and RHS which are consistent with the foregoing.

Section 1.2 LSCH Mission Statement. Attached to this Agreement as EXHIBIT C is a proposed Mission Statement and Statement of Goals for LSCH (the "Mission Statement") which the parties agree to refine and modify to their mutual satisfaction prior to the Closing Date.

Section 1.3 LSCH Representation on RHS Board. Concurrently with the amendments to the LSCH Articles and By-Laws, RHS will amend its By-Laws to provide that a director of the reorganized LSCH Board who is a resident of the City of Lee's Summit and/or of the Lee's Summit School District shall serve as an ex officio member with full voting rights of the RHS Board of Directors.

Section 1.4 The Business Plan. The parties hereto have developed and mutually agreed upon a future business plan for LSCH as a member of the RHS System, which plan is attached hereto as EXHIBIT D.

Section 1.5 Secured Loan Prior to Closing. Following signing of this Agreement, and upon five (5) days written notice to RHS, RHS, or its designated subsidiary will loan to LSCH up to \$230,000 for the purpose of making a loan or capital contribution to Summit.

Such loan shall be secured by LSCH pledging to RHS, or its designee, all of the outstanding shares of capital stock of Summit owned by LSCH. Such loan shall bear interest at the rate of 11.5% per annum from the date of the loan until the loan is repaid. The loan shall be payable upon demand and if no demand is made shall be due and payable in full together with accrued interest one (1) year from the date the loan is made.

The parties acknowledge and agree that if the conditions to Closing set forth in Article IV of this Agreement are not satisfied by the Closing Date, then RHS, or its designee, will demand repayment of the loan and the entire principal and accrued interest will become due at that time.

Loan proceeds will be disbursed to LSCH upon delivery to RHS, or its designee, of the following documentation, all in form acceptable to RHS, or its designee: (a) a promissory note payable to RHS, or its designee, in the principal amount of the loan and containing the above described payment and interest rate terms; (b) a pledge agreement, pledging the shares of Summit stock owned by LSCH as collateral for the loan; and (c) all stock certificates together with blank stock powers attached which evidence shares of Summit stock owned by LSCH

Section 1.6 LSCH Medical Staff. The Medical Staff of LSCH is and shall remain a completely separate, internally autonomous, self-governing Medical Staff responsible only to the LSCH Board of Directors in accordance with the LSCH Medical Staff By-Laws and applicable Missouri law. The LSCH Medical Staff shall have no direct organizational or official interrelationship with the Medical Staff of any of the other hospitals within the RHS System. LSCH and RHS recognize and mutually acknowledge that LSCH shall continue to work independently with its Medical Staff and Medical Staff organizations, including all hospital based and other contract physicians as in the past, to foster effective, efficient, high quality local patient care.

Section 1.7 Hospital Auxiliary. The LSCH Auxiliary shall remain responsible solely to LSCH, is and shall remain completely separate and apart from any other RHS System hospital auxiliary, and shall have no direct organizational or official interrelationship with the auxiliary of any other hospital. LSCH and RHS mutually acknowledge that LSCH shall continue to work independently with its existing Auxiliary as in the past to further broad-based community support for LSCH, for the mission of LSCH, and for the delivery of high quality patient care in the Lee's Summit community.



Section 1.8 The Foundation. The Foundation is an independent Missouri not-for-profit corporation exempt from federal income taxation under Section 501(c)(3) of the Code. LSCH directors are three (3) of the seven (7) Foundation trustees pursuant to the Foundation's Articles of Incorporation and By-Laws. The Foundation is an independent corporation related to but not owned or controlled by LSCH. The Foundation is and shall remain a completely separate, autonomous, self-governing, independent entity in accordance with its Articles of Incorporation, By-Laws and mission. The corporate reorganization of LSCH shall not alter or affect the Articles of Incorporation, By-Laws, mission or operation of the Foundation nor its existing relationship with LSCH in any way. LSCH and RHS recognize and mutually acknowledge that LSCH and the Foundation shall continue to work independently and together as in the past to further the delivery of health services in the Lee's Summit community.

Section 1.9 System Support. Upon Closing of the corporate reorganization of LSCH, the RHS System shall provide support services and system benefits in a manner consistent with and contemplated by the agreed business plan, including but not limited to, enhanced and expanded local facility marketing, access to debt and capital financing markets, physician recruitment, ambulatory services, professional office facility management, and other mutually agreed facilities, services, and support mechanisms in an effort to maximize the long-range success of effective community health services delivery in the Lee's Summit community.

Section 1.10 Publicity. Immediately following the execution of this Agreement and following the Closing Date, the parties shall develop, mutually agree upon, and issue joint press releases which announce the signing of this Agreement to reorganize and the completion of the reorganization.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of LSCH and Summit. LSCH and Summit jointly and severally represent and warrant as follows:

(a) Organization and Existence. LSCH and Summit are corporations duly incorporated, validly existing, and in good standing under the laws of the State of Missouri. LSCH and Summit are in good standing in all other jurisdictions in which they are required to be qualified to do business as a foreign corporation.

(b) Authorization, Etc. The execution, delivery and performance by LSCH and Summit of this Agreement and all related instruments, agreements, and documents have been

duly authorized by LSCH and Summit. The execution, delivery and performance by LSCH and Summit of these instruments, agreements, and documents is within their corporate powers, has been duly authorized by all necessary corporate action, and is not prohibited, restricted, or inhibited by (i) their Articles of Incorporation or By-laws; or (ii) any law, indenture, contract, instrument or agreement which is binding on or affects them (other than contracts for which appropriate consents to this transaction have been or prior to Closing will be obtained).

(c) Approval of Governmental Bodies. To their best knowledge and belief, no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by LSCH and Summit of this Agreement and all related agreements, instruments and documents other than such approvals as have been or prior to Closing will be obtained by LSCH and Summit.

(d) Enforceability of Obligations. This Agreement and all related agreements, instruments and documents are, or upon execution at the Closing will be, legal, valid and binding obligations and enforceable against LSCH and Summit, as applicable in accordance with their respective terms.

(e) Capitalization. The authorized capital stock of Summit consists of 200,000 shares of common stock, par value \$1.00, of which there are issued and outstanding 200,000 shares. All of the issued and outstanding shares of Summit are validly issued, fully paid and nonassessable, and there are no existing options, warrants, calls or other commitments of any character relating to the issuance or sale of any securities of Summit.

(f) Ownership of Summit Stock. LSCH is the record owner of all of the issued and outstanding stock of Summit. LSCH owns such stock free and clear of all liens, encumbrances and claims whatsoever and subject to no options or rights of first refusal of any kind, or any other agreements or restrictions.

(g) Insider Interests. Except as disclosed on SCHEDULE 2.1(g), no present officer, director or significant employee of LSCH or Summit (a) owns, directly or indirectly, in whole or in part, any of the properties used in their businesses, (b) has received a loan or advance from either of them which is currently outstanding, (c) has any obligation to make any loan to either of them, or (d) has any other business relationship with LSCH or Summit other than in his or her capacity as an officer, director or significant employee. No present officer, director or significant employee of LSCH or Summit owns in excess of 5%,

directly or indirectly, in whole or in part, any interest in, or controls, or is an employee, officer, director or partner of, or participant in, or consultant to, any corporation, association, partnership, limited partnership, joint venture, or other entity which is a competitor of Hospital or Summit.

(h) Financial Statements and Records. Consolidated balance sheets of LSCH as of September 30, 1988 (audited) and February 28, 1989 (unaudited), and of Summit as of September 30, 1988 (audited) and February 28, 1989 (unaudited), and the related consolidated statements of income and retained earnings and changes in financial position for the period then ended, copies of which have been furnished to RHS, fairly present their financial conditions as of such dates and the results of operations for the periods ended on such dates, all in accordance with generally accepted accounting principles which have been applied on a basis consistent with that of the preceding period; and since February 28, 1989, there has been no material adverse change in such conditions or such operations except those described in SCHEDULE 2.1(h) hereto. The unaudited combined balance sheet for LSCH and Summit as of February 28, 1989, and the unaudited combined statements of operations for the five months ended February 28, 1989 and the audited combined balance sheet and combined statements of operations for the fiscal year ended September 30, 1989, copies of which have been furnished to RHS, are based upon accurate information and reasonable assumptions. Except as disclosed in letters to management from independent auditors, all of the books and records of LSCH and Summit, including but not limited to their stock record books, minute books, By-laws, patient records, financial records, and books of account, are accurate and complete in all material respects.

(i) Compliance with Law and Other Regulations. To their best knowledge and belief, LSCH, Summit and their activities as presently conducted are in compliance with all requirements of all governmental bodies or agencies having jurisdiction over them, the conduct of their business, the use of their properties and assets, and all premises occupied by them, and, without limiting the foregoing, to their best knowledge and belief, LSCH and Summit have all required licenses, permits, certificates, registrations and authorizations needed for the conduct of their business and the use of their properties and the premises occupied by them. SCHEDULE 2.1(i) sets forth each such material license, permit, certificate, registration, or authorization, and the applicable expiration date, if any. LSCH and Summit have delivered or made available or will prior to Closing deliver or make available to RHS true and correct copies of such licenses, permits, certificates,

registrations or authorizations, as well as the most recent fire, safety and other inspection reports relating to their business. To their best knowledge and belief, there is no act or omission on the part of LSCH or Summit occurring on or before the date hereof which would subject either of them to the likelihood of any fine or suspension. Except as set forth in SCHEDULE 2.1(i), LSCH and Summit have not received any notice not heretofore complied with or waived by the responsible authority, from any federal, state or other governmental authority or agency having jurisdiction over their properties or activities, or any insurance or inspection body, that their operations or any of their properties, facilities, equipment, or business procedures or practices fail to comply with any applicable law, ordinance, regulation, building or zoning ordinance, code, or regulation, or requirement of any public authority or body.

(j) Litigation. There is no pending or threatened action or proceeding affecting LSCH or Summit before any court, governmental agency or arbitrator, other than listed on SCHEDULE 2.1(j) hereto.

(k) Fraud and Abuse. LSCH, Summit, their officers and directors have used their best efforts in good faith to avoid engaging in any activities which are prohibited under federal statutes Medicare, 42 U.S.C. (1395h(a)), or Medicaid, 42 U.S.C. (1396h(a)), or the regulations promulgated pursuant to such statutes or related state or local statutes or regulations or which are prohibited by rules of professional conduct.

(l) Existing Indebtedness. LSCH and Summit do not have any existing indebtedness of any type except (i) that which was set forth on the combined unaudited balance sheet of LSCH and Summit as of February 28, 1989, (ii) that which was incurred in the ordinary course of business since such date, and (iii) that which is described on SCHEDULE 2.1(l) hereto.

(m) Leases. LSCH and Summit have no interest, either as lessee or lessor, in any existing leases of personal or real property other than as described on SCHEDULE 2.1(m) hereto, which schedule shall be updated and delivered to RHS at the time of any material change in the leases described therein.

(n) Outstanding Guaranties. LSCH and Summit have no guaranties outstanding by which either of them guarantees any indebtedness or any liability of any other person or entity other than the guaranties described on SCHEDULE 2.1(n) hereto.

(o) Taxes; Exempt Status. LSCH and Summit have filed all required federal and other tax returns and paid any taxes due pursuant thereto or pursuant to any assessment received by either of them except such taxes, if any, as are being contested in good faith and as to which adequate reserves have been provided. No audit of any federal, state or city income tax returns or other tax returns of LSCH or Summit is in progress, pending, or threatened.

True copies of all federal, state and local income tax, property tax, sales tax, Form 990, and other tax returns, tax examination and audit reports, and statements of deficiencies assessed against or agreed to by LSCH and Summit since October 1, 1985 have been provided to RHS. To their best knowledge and belief, all such tax returns were based upon accurate information and were prepared in substantial conformity with the applicable tax laws. All deficiencies assessed against LSCH and Summit have been paid or are being contested in good faith and are appropriately reserved against on the February 28, 1989 financial statements.

A copy of the Internal Revenue Service determination letter confirming that LSCH is an organization exempt from federal income tax under (501(c)(3) of the Code and copies of all other exemption letters issued to LSCH by taxing authorities have been provided to RHS. To its best knowledge and belief, LSCH is not in violation of any of the requirements of (501(c)(3) of the Code or any other provision of the Code or state law which are conditions to the continued maintenance of its tax exempt status under federal or state law. No audit of the exempt status of LSCH is in progress, pending, or threatened by any federal, state or local authority.

(p) Employee Plans; Employment Contracts; Labor Matters. LSCH and Summit have, and at the Closing Date will have, no "employee pension benefit plan" as that phrase is defined in Section 3(2) of ERISA (herein called a "Plan"), except a defined contribution/benefit pension plan meeting the requirements of ERISA and the Code (herein called "Pension Plan"). LSCH and Summit have, and at the Closing Date will have, no obligations, contingent or otherwise, written or oral, under any employment contract, collective bargaining agreement, nonqualified pension or retirement plan, bonus plan, stock option or purchase plan, or other employee contract or nonterminable agreement, group insurance, group hospitalization, or other employee benefit plan other than those listed in SCHEDULE 2.1(p), true and correct copies, certificates or descriptions of which have been delivered to RHS. To their best knowledge and belief, LSCH and Summit have performed all obligations required to be performed under the Pension Plan and all such other

agreements and plans and are not in default or in arrears in any material respect under any of the terms thereof. Except as set forth in SCHEDULE 2.1(p), LSCH and Summit have not within the past three (3) years engaged in discussions with respect to any collective bargaining agreement and have not been the subject of any election with respect to the unionization of any of their employees, nor have any such discussions or elections now pending, or to the best of the knowledge of LSCH and Summit, threatened or contemplated. To their best knowledge and belief, LSCH and Summit have complied with all applicable federal and state laws relating to the employment of labor, including but not limited to the provisions thereof relative to wages, hours and collective bargaining, and to the best of their knowledge, LSCH and Summit are not liable for any arrears of wages for failure to comply with any of the foregoing. LSCH and Summit have not received any notice of noncompliance with any of the foregoing. There are no employment contracts relating to the employees of LSCH or Summit except as set forth on SCHEDULE 2.1(p).

(q) Title to Property. LSCH and Summit have, and at the Closing will have, good and marketable title to all property and assets purported to be owned by them, subject only to those options, rights of first refusal, liens, restrictions, encumbrances, pledges, and security interests described on SCHEDULE 2.1(q). Except as disclosed on SCHEDULE 2.1(q), the property and assets of LSCH and Summit are in good condition and repair in all material respects, free of defects of materials or workmanship, and are without the present need for any major replacement equipment, repairs, construction, or reconditions being required by either of them.

(r) Mechanical and Structural Investigation. To verify and confirm the representations and warranties contained in (2.1(q) regarding the condition of the properties of LSCH and Summit, RHS shall have the right and option at its cost to cause a comprehensive mechanical and structural assessment, inspection and examination, to be performed as to any part or all of such property, such assessment, inspection and review to be made by a competent individual(s) or firm(s) selected by RHS (hereinafter sometimes collectively referred to as "RHS's Mechanical and Structural Consultant"), pursuant to the following:

(1) RHS agrees to promptly cause said mechanical and structural assessment, inspection and review to be commenced and to be expeditiously pursued to completion. LSCH and Summit agree that RHS's Mechanical and Structural Consultant may enter upon their properties for the purpose of making said mechanical and structural assessment, inspection and

review and to issue a written report (including, without limitation, a report as to the anticipated costs of any necessary repairs, replacements, construction and reconditioning) of such assessment, inspection and review.

(2) If such mechanical and structural assessment report shows the existence of any mechanical or structural conditions requiring repairs, replacements, construction or reconditioning and which in the opinion of RHS the aggregate cost of such repairs, etc. is materially adverse to the financial condition, business or prospects of LSCH or Summit, such conditions shall constitute a material breach of the representations and warranties contained in (2.1(q) hereof, shall cause LSCH and Summit to be in violation of the provisions of (4.1(a) hereinafter and entitle RHS to the remedies provided for herein, particularly under (6.2 hereof.

(s) Contracts and Commitments. Except as set forth or described in SCHEDULE 2.1(s) hereto, LSCH and Summit do not have and at the Closing Date will not have any material contracts or agreements including, but without limiting the generality of the foregoing, any material commitments or obligations, contingent or otherwise, under any contract or agreement, (i) for the purchase or sale of inventory which is expensed and in excess of \$5,000 in any one instance, or (ii) for the purchase or sale of supplies, services or other items in excess of \$5,000 in any one instance, or (iii) for the purchase or sale of any equipment or machinery which is capitalized or which is expensed and in excess of \$5,000, or (iv) for the performance of services for others in excess of \$5,000 in any one instance or extending beyond the end of the current calendar year; and at the Closing Date LSCH and Summit will not have any such commitment or obligation in excess of \$5,000 in any one instance or incurred otherwise than in the ordinary course of business, obligating them to sell or purchase or perform after the end of the then current fiscal year, other than as listed in the aforesaid SCHEDULE 2.1(s) or as consented to in writing by RHS. To the best of their knowledge and belief, LSCH and Summit have performed all obligations required to be performed under any such contract or agreement and are not in default or in arrears in any material respect under the terms thereof. Except as disclosed on SCHEDULE 2.1(s), neither of them has received notice of any material default or failure of performance under any such contract or agreement. Each such contract or agreement is in full force and effect on the date hereof and true and correct copies of each thereof have been or will be, prior to Closing, made available or delivered to RHS.

(t) Accounts Receivable; Reserves. The accounts receivable of LSCH and Summit reflected on the February 28, 1989 financial statements are, and those existing on the Closing Date (i) shall be, comprised of valid claims in the full amount thereof against the debtor charged therewith on the books of LSCH and Summit; (ii) shall all have been acquired in the ordinary course of business; (iii) shall be subject to no known defenses, set-offs or counterclaims; and (iv) shall be collectible in full, less the allowance for bad debts and third party payor adjustments reflected on the February 28, 1989 balance sheet and on the balance sheets to be delivered to RHS between the date of this Agreement and the Closing Date.

(u) Insurance Coverages. LSCH and Summit maintain in full force and effect, with no premium arrearages, insurance policies with the companies in the amounts and providing the coverages set forth in SCHEDULE 2.1(u). True and correct copies of all such policies, any endorsements thereto, and of all insurance inspection reports have been or will be, prior to Closing, made available or delivered to RHS.

(v) Bank Accounts. SCHEDULE 2.1(v) hereto contains a true and complete list as of February 28, 1989 of all accounts of LSCH and Summit with banks, trust companies, savings and loan associations, brokerage houses, and money managers, and the names of all persons authorized to draw thereon or to have access thereto.

(w) Trademarks, Trade Names, Etc. SCHEDULE 2.1(w) hereto sets forth all, if any, of LSCH's and Summit's trademarks, trade names, service marks, patents, copyrights, registrations, or applications with respect thereto, and licenses or rights under the same presently owned, used or intended to be acquired or used by either of them, and to the extent set forth in SCHEDULE 2.1(w), the same have been duly registered in such offices as are indicated thereon.

(x) Accuracy of Information. The financial materials, schedules and other materials supplied and to be supplied to RHS pursuant to this Agreement are and shall be complete and correct in all material respects, include and shall include all material facts required to describe fairly and accurately the business and properties of LSCH and Summit, and do not and shall not omit any material fact necessary to make such materials not misleading.

(y) Reports and Returns. To their best knowledge and belief, LSCH and Summit have timely filed all significant reports and returns heretofore required by federal, state or municipal authorities and all reports and returns to the various governmental authorities which control, directly or indirectly, any of their activities. To their best



knowledge and belief, all such reports and returns are based upon accurate information and reasonable assumptions and were prepared and filed in the manner prescribed by applicable law and/or regulation.

(z) Additional Documents Supplied by LSCH and Summit. LSCH and Summit have delivered or made available, or will deliver or make available before Closing, to RHS true and exact copies of (i) all cost reports they and their predecessors in interest have filed with Medicare and Medicaid for the last three (3) years, as well as all correspondence and other documents relating to any disputes and/or settlements with Medicare or Medicaid within the last three (3) years, and (ii) all appraisal reports, surveys or other documents which evaluate or describe any of the properties and assets of either of them, and (iii) all reports they and their predecessors in interest have filed with the U.S. Department of Health and Human Services, the U.S. Drug Enforcement Administration, Missouri Division of Health, and Missouri Health Facilities Review Commission, as well as all correspondence and other documents relating to any audits, disputes, and/or settlements with any of these governmental agencies within the last three (3) years.

(aa) Subsidiaries, Partnerships and Investments. Except as disclosed in SCHEDULE 2.1(aa) hereto, (i) LSCH and Summit do not own capital stock or other securities of, or any equity interests or investment in, any corporation, partnership, joint venture, or other entity; (ii) all such equity interests in each of the corporations, partnerships, joint ventures and other entities named in such SCHEDULE 2.1(aa) are owned directly by LSCH and/or Summit free and clear of all mortgages, liens, pledges, charges, security interests, encumbrances, options, rights of third parties, charges and restrictions whatsoever (collectively "Liens") other than those disclosed on SCHEDULE 2.1(aa), all of which would not materially adversely effect the operations of LSCH, Summit or such entities;

(bb) Stock and Records. All of the outstanding capital stock of any subsidiaries identified on SCHEDULE 2.1(aa) was, is, and will be properly issued, and, except as disclosed in letters to management from independent auditors, all of their books and records, including but not limited to their stock record books, minute books, By-Laws and books of account, are accurate and complete in all material respects.

(cc) Computer Systems. All of the computer hardware owned or leased by LSCH and Summit is in good operating condition and repair. To their best knowledge and belief, all of the computer software programs owned, leased, or licensed by LSCH and/or Summit are free from programming

errors, compatible with the computer hardware owned and leased by them, and adequate to perform the ordinary and necessary accounting functions of their businesses, including, but not limited to, Medicare/Medicaid, other third party and patient billing, general ledger, payroll, accounts receivable, accounts payable, and monthly operating statements of income and expense. To their best knowledge and belief, all operating system software and application software consists of the most recent versions offered by the licensors thereof. To their best knowledge and belief, all application software is compatible with operating system software in the versions used by LSCH and/or Summit in its business.

(dd) Hazardous Substances. To their best knowledge and belief, all real property, buildings and other improvements thereon (for purposes of this Section 2.1(dd), collectively referred to as the "property") have never been and are not currently used as a site for the storage or disposal of solid waste, infectious waste, petroleum products, pesticides, PCBs, asbestos, toxic substances or materials or hazardous substances or materials (herein collectively referred to as "hazardous substances"). Except for the generation of infectious and solid wastes, which to the best knowledge and belief of LSCH and Summit, have been and are being disposed of in compliance with applicable environmental laws, the property has never been and is not currently used as a site for the generation of hazardous substances. To their best knowledge and belief, no hazardous substances, including, without limitation, asbestos containing material ("ACM"), have ever been nor are same currently contained within or located on the property. Except as disclosed on SCHEDULE 2.1(dd), no underground fuel storage tanks have ever been nor are they currently located on or within the property. To their best knowledge and belief, LSCH, Summit and the property, including the underground fuel storage tank located within the property, are in full compliance with all environmental laws, and no event has occurred that would constitute non-compliance thereof, whether upon the giving of notice or passage of time or both. No governmental agency or authority has issued any notices or claims or commenced any proceedings regarding or alleging the existence, storage or disposal of hazardous substances on the property, or the discharge or release of hazardous substances from the property; and, to the knowledge of LSCH and Summit, no parcel or tract of real property adjacent to the property has ever been used as either a sanitary landfill or as a site for the generation, storage, or disposal of hazardous substances nor are any underground fuel storage tanks deposited or located therein. For purposes hereof, "applicable environmental laws" shall mean the Resource Conservation and Recovery Act of 1981 (as amended) ("RCRA"), the Comprehensive Environmental Response

Compensation and Liability Act of 1980 (as amended) ("CERCLA"), the Hazardous Waste Management Act of 1978 (as amended), the Clean Air Act of 1970 (as amended), the Toxic Substances Control Act of 1976 (as amended), and any other environmental laws of the United States, the State of Missouri, or the ordinances of any applicable county or municipality, and "hazardous substance" and "release" shall have the meaning specified in such applicable environmental laws.

(ee) Hazardous Substance Investigation (Environmental Assessment). To verify and confirm the representations and warranties contained in (2.1(dd) hereinbefore, RHS shall have the right and option at its cost to cause a comprehensive environmental assessment, inspection and examination, including, without limitation, a comprehensive asbestos exposure review, to be performed as to any part or all of such property, such assessment, inspection and review to be made by a competent individual(s) or firm(s) selected by RHS (hereinafter sometimes collectively referred to as "RHS's Environmental Consultant"), pursuant to the following:

(1) RHS agrees to promptly cause said environmental assessment, inspection and review to be commenced and to be expeditiously pursued to completion. LSCH and Summit agree that RHS's Environmental Consultant may enter upon the property for the purpose of making said environmental assessment, inspection and review and to issue a written report (including, without limitation, a report as to the existence of any ACM) of such assessment, inspection and review.

(2) If such environmental assessment report shows the existence of any hazardous substances or other environmental conditions, which in the opinion of RHS's Environmental Consultant require removal, encasement, other protective measures, or other remedial or curative actions, and in the opinion of RHS the cost of such curative actions is materially adverse to the financial condition, business or prospects of LSCH or Summit, the existence of such conditions shall constitute a material breach of the representations and warranties contained in (2.1(dd) hereof, shall cause LSCH and Summit to be in violation of the provisions of (4.1(a) hereinafter and entitle RHS to the remedies provided for herein, particularly under (6.2 hereof.

(3) RHS agrees that its legal counsel may provide to legal counsel for LSCH and Summit a copy of the written report of RHS's Environmental Consultant and that legal counsel for the respective parties may

discuss the same with their clients who are parties to this Agreement. However, disclosures made and discussions held with respect to the contents of the written report shall be conducted in a manner designed to preserve and protect the attorney-client privilege with respect to and the confidential nature of such information. RHS also agrees to require its Environmental Consultant to keep confidential the results of its investigation and the contents of its report and to disclose the same only to legal counsel for RHS. Unless compelled by law to do so, no party may disclose to third parties the contents of the written report or of attorney-client discussions with respect thereto without the prior written content of other parties to this Agreement.

Section 2.2 RHS's Representations and Warranties. RHS covenants and warrants as follows:

(a) Organization and Existence. RHS is a corporation duly incorporated, validly existing, and in good standing under the laws of the State of Missouri. RHS is in good standing in all other jurisdictions in which it is required to be qualified to do business as a foreign corporation.

(b) Authorization, Etc. The execution, delivery and performance by RHS of this Agreement and all related instruments, agreements, and documents have been duly authorized by RHS. The execution, delivery and performance by RHS of these instruments, agreements, and documents is within its corporate powers, has been duly authorized by all necessary corporate action, and is not prohibited, restricted, or inhibited by (i) its Articles of Incorporation or By-laws; or (ii) any law, indenture contract, instrument or agreement which is binding on or affects it (other than contracts for which appropriate consents to this transaction have been or prior to Closing will be obtained).

(c) Approval of Governmental Bodies. To its best knowledge and belief, no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by RHS of this Agreement and all related agreements, instruments and documents other than such approvals as have been or prior to Closing will be obtained by RHS.

(d) Enforceability of Obligations. This Agreement and all related agreements, instruments and documents are, or upon execution at the Closing will be, legal, valid and binding obligations and enforceable against RHS, as applicable in accordance with their respective terms.

(e) Financial Statements. Consolidated balance sheets of RHS as of December 31, 1987 (audited), December 31, 1988 (unaudited), and February 28, 1989 (unaudited), and the related consolidated statements of income and retained earnings and changes in financial position for the period then ended, copies of which have been furnished to LSCH, fairly present its financial condition as of such dates and the results of operations for the periods ended on such dates, all in accordance with generally accepted accounting principles which have been applied on a basis consistent with that of the preceding period; and since February 28, 1989, there has been no material adverse change in such condition or such operations except those described in SCHEDULE 2.2(e) hereto. The unaudited combined balance sheet for RHS as of February 28, 1989, and the unaudited combined statements of operations for the two months ended February 28, 1989 and for the fiscal year ended December 31, 1988, and the audited combined balance sheet and combined statements of operations for the fiscal year ended December 31, 1989, copies of which have been furnished to LSCH, are based upon accurate information and reasonable assumptions.

(f) Outstanding Guaranties. RHS has no guaranties outstanding by which it guarantees any indebtedness or any liability of any other person or entity other than guaranties of obligations of RHS subsidiaries and the guaranties described on the consolidated financial statements of RHS.

(g) Compliance with Law and Other Regulations. To its best knowledge and belief, RHS and its activities as presently conducted are in compliance with all requirements of all governmental bodies or agencies having jurisdiction over it, the conduct of its business, the use of its properties and assets, and all premises occupied by it, and, without limiting the foregoing, to its best knowledge and belief, RHS has all required licenses, permits, certificates, registrations and authorizations needed for the conduct of its business and the use of its properties and the premises occupied by it. RHS has delivered or made available or will prior to Closing deliver or make available to LSCH and Summit true and correct copies of such licenses, permits, certificates, registrations or authorizations, as well as the most recent fire, safety and other inspection reports relating to its business. To its best knowledge and belief, there is no act or omission on the part of RHS occurring on or before the date hereof which would subject it to the likelihood of any fine or suspension. RHS has not received any notice not heretofore complied with or waived by the responsible authority, from any federal, state or other governmental authority or agency having jurisdiction over its properties or activities, or any insurance or inspection body, that its operations or any of its

properties, facilities, equipment, or business procedures or practices fail to comply with any applicable law, ordinance, regulation, building or zoning ordinance, code, or regulation, or requirement of any public authority or body.

(h) Exempt Status. To its best knowledge and belief, RHS is not in violation of any of the requirements of (501(c)(3) of the Code or any other provision of the Code or state law which are conditions to the continued maintenance of its tax exempt status under federal or state law.

(i) Accuracy of Information. The financial materials, schedules and other materials supplied and to be supplied to LSCH pursuant to this Agreement are and shall be complete and correct in all material respects, include and shall include all material facts required to describe fairly and accurately the financial condition of RHS, and do not and shall not omit any material fact necessary to make such materials not misleading.

### ARTICLE III

#### CONDUCT OF BUSINESS PENDING CLOSING

Section 3.1 Affirmative Covenants. From and after the signing of this Agreement and continuing until the Closing Date, LSCH and Summit shall:

(a) Compliance with Laws. Use their best efforts in good faith to comply in all material aspects with all applicable laws, rules, regulations, and orders, including, but not limited to, federal and state laws, rules and regulations applicable to Hospitals, Medicare and Medicaid, the Code, and ERISA.

(b) Financial and Other Reports. Furnish to RHS:

(i) promptly following submission thereof to the board of directors of LSCH and/or Summit, monthly unaudited financial statements of their operations, together with all management information support data provided to their directors for each such month, including, but not limited to, monthly cash position reports, monthly inpatient activity reports, health care utilization pattern reports by service, and as otherwise reported, productivity pattern reports such as FTE by department or service, and liability issue reports;

(ii) promptly after the filing or receiving thereof, copies of any and all reports and notices which LSCH, Summit, or any of their subsidiaries file

under ERISA with the Pension Benefit Guaranty Corporation ("PBGC"), the U.S. Department of Labor, or the Internal Revenue Service or which they or the Pension Plan receives from PBGC, the U.S. Department of Labor, or the Internal Revenue Service, and which specifically address the Pension Plan (and are not general mailings to all Plan sponsors);

(iii) promptly after the filing or receiving thereof, copies of any and all reports, notices, and correspondence which LSCH, Summit, or any of their subsidiaries file with or receive from federal and state agencies regulating Hospitals and which specifically address their operations and are not general mailings to Hospitals:

(iv) promptly after the filing or receiving thereof, copies of all tax returns, reports, notices, and correspondence which LSCH, Summit, or any of their subsidiaries file with or receive from the Internal Revenue Service, the Missouri Department of Revenue, and any other federal, state, or local agency with taxing authority over any of them, except for general mailings to taxpayers; and

(v) such other information respecting the condition or operations, financial or otherwise, of LSCH and Summit as RHS may from time to time reasonably request.

(c) Preservation of Business and Corporate Existence. Carry on and conduct, as their principal business, the ownership and operation of the Hospital and related support facilities and services; use reasonable care to operate the business of LSCH and Summit in the manner necessary to maintain the good will of their physicians, personnel, allied health professionals, patients, third party payors, customers and suppliers and their reputation in the communities they serve; maintain in good standing their corporate existence and right to transact business in those states in which they are now or may hereafter be doing business; maintain LSCH's status as an organization exempt from federal income tax under (501(c)(3) of the Code, and maintain all licenses, permits and registrations necessary to or required for the conduct of their business.

(d) Insurance. Insure and keep insured at all times with good and responsible insurance companies: (i) all of the property of LSCH and Summit of an insurable nature, including, without limiting the generality of the foregoing, all real estate, equipment, fixtures and inventories, against fire and other casualties in such manner and to the extent that like properties are usually insured by others

operating properties of a similar character in a similar locality; and (ii) against liability on account of damage to persons or property (including professional and general liability insurance and under all applicable worker's compensation laws) in such manner and to the extent that like risks are usually insured by persons conducting similar businesses. LSCH and Summit will, upon request of RHS at any time, furnish a written summary of the amount and type of insurance carried, the names of the insurers, and the policy numbers.

(e) Payment of Taxes. Pay and discharge, before they become delinquent, all taxes, assessments and other governmental charges imposed upon LSCH and Summit or any of their properties, or any part thereof, or upon the income or profits therefrom and all claims for labor, materials or supplies which if unpaid might be or become a lien or charge upon any of such property, except such items as they are in good faith appropriately contesting and as to which they have provided adequate reserves.

(f) Maintenance of Properties and Leases. Maintain, preserve and keep the properties of LSCH and Summit and every part thereof, in good repair, working order and condition, from time to time; make all needful and proper repairs, renewals, replacements, additions, betterments and improvements thereto; and maintain all leases of real or personal property in good standing, free of any defaults thereunder.

(g) Notice of Material Adverse Effect. Give prompt notice in writing to RHS of any breach of any of the covenants in this ARTICLE III or any development or the occurrence of any event, financial or otherwise, which constitutes a default under any agreement relating to borrowed money or which may or shall materially adversely affect the business, properties or affairs of LSCH or Summit or their ability to perform their obligations under this Agreement or any other agreements, instruments, or documents related thereto.

(h) Books and Records; Inspection; Bank Audits. Maintain complete and accurate books and records; permit persons designated by RHS to visit and inspect their properties, inspect their books and records (including board reports, copies of filings with governmental agencies, journals, orders, receipts and correspondence which relate to their business or accounts), and discuss the affairs, finances and accounts of LSCH and Summit with their principal officers, legal counsel, and independent public accountants; all the foregoing inspections and discussions to be at reasonable times.



(i) Notice to RHS of Director and Shareholder Meetings. Send written notice to RHS prior to all regular and special meetings of the directors and shareholders of LSCH and Summit, and RHS shall be entitled to send a representative to any and all such meetings.

(j) Regular Meetings of Chief Officers. The Chief Executive Officer of LSCH and the Chief Operating Officer of RHS and such other personnel as they deem appropriate shall meet on a regular basis as appropriate to review LSCH and Summit financial and management reports, short-term and long-term planning, and results of operations.

Section 3.2 Actions Requiring RHS Consent. From and after signing of this Agreement and prior to the Closing Date, except as otherwise consented to or approved by RHS in writing, LSCH and Summit shall not:

(a) fail to maintain in effect the insurance coverage referred to in Section 2.1(u);

(b) enter into, renew, amend, or terminate any contract or agreement in excess of \$5,000 to which either of them is a party without written approval from RHS;

(c) sell, lease or transfer all or a substantial part of their properties or assets or subject the same to a mortgage, pledge, lien or other encumbrance; or

(d) incur any other obligation or liability, absolute or contingent, other than current liabilities incurred in the ordinary course of business, or make any loans or advances to any person, firm or corporation, or assume, guarantee, endorse or otherwise become liable for the obligations of any person, firm or corporation.

#### ARTICLE IV

##### CONDITIONS PRECEDENT TO CLOSING

Closing of this transaction shall not occur unless all of the conditions precedent set forth in this Article IV shall have been satisfied or waived in writing on or before the Closing Date.

Section 4.1 Conditions Precedent to RHS's Obligation to Close. RHS shall not be obligated to close unless all of the following conditions are satisfied on or before the Closing Date or RHS elects to waive in writing any condition which has not been satisfied:

(a) Compliance. All of the representations and warranties of LSCH and Summit contained in this Agreement shall be true as of the date of this Agreement and shall be deemed to have been made again at and as of the time of the Closing, and shall then be true in all material respects, and LSCH and Summit shall have caused all agreements, covenants and conditions required by this Agreement to be performed or complied with by them prior to or at the Closing to be so performed or complied with. RHS shall have been furnished with a certificate of the appropriate official of LSCH and Summit, dated the Closing Date, to the foregoing effect;

(b) Opinion of Counsel. RHS shall have been furnished with the opinion of counsel to LSCH and Summit, in form and substance satisfactory to RHS, dated the Closing Date, to the effect set forth in SCHEDULE 4.1(b) attached hereto;

(c) No Action, Etc. No action or proceeding shall have been brought or threatened before any court or administrative agency to prevent the consummation of, or to seek damages in a material amount by reason of the transactions contemplated hereby, and no governmental authority shall have asserted in writing that the within transaction (or any other pending transaction involving RHS, when considered in light of the effect of the within transaction) shall constitute a violation of law or give rise to liability on the part of RHS;

(d) Legal Matters. All actions, proceedings, instruments and documents required to carry out this Agreement incidental hereto and all other related legal matters, instruments and documents required to carry out this Agreement or incidental hereto and all other related legal matters shall have been approved by legal counsel to RHS, which approval shall not be unreasonably withheld, and RHS's legal counsel shall have been furnished with all actions, documents and instruments as they shall have reasonably requested in connection with the transactions contemplated herein;

(e) Incumbency Certificates. RHS shall have received incumbency certificates, dated as of the Closing Date, certifying the incumbency of each officer and director of LSCH and Summit and containing specimens of the signatures of each of the officers whose incumbency is certified;

(f) Certified Resolutions. LSCH and Summit shall have each furnished a resolution, certified by the appropriate officer of each of them, authorizing the transactions contemplated hereby;

(g) Governmental Compliance. The parties shall have complied with the preclosing requirements, if any, of the Federal Trade Commission, the U.S. Department of Health and Human Services, the Missouri Division of Health, the Missouri Health Facilities Review Commission, and any other governmental agency with jurisdiction to regulate the business of LSCH and Summit;

(h) Lender Approvals. The parties shall have received written approval of the transaction by any lender or party which may have an agreement with RHS, LSCH or Summit which otherwise limits or restricts the obligations, covenants and conditions to be observed or performed by them hereunder; and

(i) MRI Joint Ventures. The parties acknowledge that subsidiaries of RHS and LSCH are involved in separate magnetic resonance imaging joint venture relationships. The parties further acknowledge that contractual provisions in the joint venture agreements of their respective subsidiaries may restrict or prohibit involvement of RHS and LSCH in competing magnetic resonance imaging facilities. Therefore, on or before the Closing Date, the parties shall have received satisfactory waiver or resolution of any restriction or prohibition on consummation of the corporate reorganization of LSCH which may result from the magnetic resonance imaging joint venture agreements of subsidiaries of RHS and LSCH.

Section 4.2 Conditions Precedent to the Obligations of LSCH and Summit to Close. LSCH and Summit shall not be obligated to close unless all of the following conditions are satisfied on or before the Closing Date or LSCH and Summit elect to waive in writing any condition which has not been satisfied:

(a) Compliance. All of the representations and warranties of RHS contained in this Agreement shall be true as of the date of this Agreement and shall be deemed to have been made again at and as of the time of the Closing, and shall then be true in all material respects, and RHS shall have caused all agreements, covenants and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing to be so performed or complied with. LSCH and Summit shall have been furnished with a certificate of the appropriate officials of RHS, dated the Closing Date, to the foregoing effect;

(b) Opinion of Counsel. LSCH and Summit shall have been furnished with the opinion of counsel to RHS, dated the Closing Date, to the effect set forth in SCHEDULE 4.2(b) attached hereto;

(c) No Action, Etc. No action or proceeding shall have been brought or threatened before any court or administrative agency to prevent the consummation of, or to seek damages in a material amount by reason of the transaction contemplated hereby, and no governmental authority shall have asserted in writing that the within transaction shall constitute a violation of law or give rise to liability on the part of LSCH or Summit;

(d) Legal Matters: All actions, proceedings, instruments and documents required to carry out this Agreement incidental hereto and all other related legal matters, instruments and documents required to carry out this Agreement or incidental hereto and all other related legal matters shall have been approved by legal counsel to LSCH and Summit, which approval shall not be unreasonably withheld, and such counsel shall have been furnished with all such actions, documents and instruments as they shall have reasonably requested in connection with the transactions contemplated herein.

(e) Incumbency Certificates. LSCH and Summit shall have received incumbency certificates, dated as of the Closing Date, certifying the incumbency of each officer and director of RHS and containing specimens of the signatures of each of the officers whose incumbency is certified;

(f) Certified Resolution. RHS shall have furnished resolutions, certified by the appropriate officer of RHS, authorizing the transactions contemplated hereby, and amending the Bylaws of RHS in the manner required by Section 1.3 of this Agreement;

(g) Governmental Compliance. The parties shall have complied with the preclosing requirements, if any, of the Federal Trade Commission, the U.S. Department of Health and Human Services, the Missouri Division of Health, the Missouri Health Facilities Review Commission, and any other governmental agency with jurisdiction to regulate the business of LSCH and Summit;

(h) Lender Approvals. The parties shall have received written approval of the transaction by any lender or party which may have an agreement with RHS, LSCH or Summit which otherwise limits or restricts the obligations, covenants and conditions to be observed or performed by them hereunder; and

(i) MRI Joint Ventures. The parties acknowledge that subsidiaries of RHS and LSCH are involved in separate magnetic resonance imaging joint venture relationships. The parties further acknowledge that contractual provisions in the joint venture agreements of their respective

subsidiaries may restrict or prohibit involvement of RHS and LSCH in competing magnetic resonance imaging facilities. Therefore, on or before the Closing Date, the parties shall have received satisfactory waiver or resolution of any restriction or prohibition on consummation of the corporate reorganization of LSCH which may result from the magnetic resonance imaging joint venture agreements of subsidiaries of RHS and LSCH.

## ARTICLE V

### CLOSING

Section 5.1 Time and Place. The Closing under this Agreement for the corporate reorganization of LSCH shall take place at the offices of LSCH, 530 N. Murray Road, Lee's Summit, Missouri, unless otherwise agreed to by the parties, on June 30, 1989, at 10:00 A.M., Local Time. All references in this Agreement, its exhibits and schedules, and in the agreements, instruments and documents delivered pursuant hereto, to the Closing or the Closing Date shall mean June 30, 1989.

### Section 5.2 Deliveries. At the Closing:

(a) LSCH and/or Summit shall deliver to RHS:

(i) A certified resolution of the LSCH Board of Directors authorizing LSCH to amend and restate its Articles of Incorporation and By-Laws in the manner described in Section 1.1 of this Agreement;

(ii) Certificates of Good Standing or corporate existence of LSCH and Summit issued by the Secretary of State of Missouri, dated not more than thirty (30) days prior to the Closing Date;

(iii) The certificate of compliance by LSCH and Summit with the conditions to Closing as required by Section 4.1(a) hereof;

(iv) The legal opinion of counsel to LSCH and Summit as required by Section 4.1(b) hereof;

(v) Duplicate originals of an Amended Articles of Incorporation effecting the corporate reorganization of LSCH in the form and executed in the manner specified by R.S.Mo. {355.070 and R.S.Mo. {355.075, for filing by the parties with the Missouri Secretary of State. Following Closing, LSCH shall cause the Missouri Secretary of State to issue a certificate to RHS of the filing of such Amended Articles of Incorporation;

(vi) The incumbency certificates required by Section 4.1(e) hereof;

(vii) The certified resolutions required by Section 4.1(f) hereof;

(viii) The By-Laws of LSCH restated in the manner certified by this Agreement and certified by the Secretary of LSCH to have been duly adopted by the Board of Directors of LSCH; and

(ix) Any such other documentation as counsel to RHS may reasonably request.

(b) RHS shall deliver to LSCH and/or Summit:

(i) A Certificate of Good Standing or corporate existence of RHS issued by the Secretary of State of Missouri, dated not more than thirty (30) days prior to the Closing Date;

(ii) The certificate of compliance by RHS with the conditions to Closing as required by Section 4.2(a) hereof;

(iii) The legal opinion of counsel to RHS as required by Section 4.2(b) hereof;

(iv) The incumbency certificates required by Section 4.2(e) hereof;

(v) The certified resolutions required by Section 4.2(f) hereof; and

(vi) Any such other documentation as counsel to LSCH and Summit may reasonably request.

#### ARTICLE VI

##### MISCELLANEOUS

Section 6.1 Further Assurances. Each party hereto shall execute such further instruments and documents as counsel for the other party may reasonably require to carry out effectively the transactions contemplated hereby and to evidence the fulfillment of the agreements contained herein and the performance of all conditions to the consummation of such transactions.

Section 6.2 Survival of Representations and Warranties; RHS  
Remedy for Breach.

(a) The representations, warranties and agreements of the parties set forth herein and in the certificates to be delivered at the Closing shall survive the Closing. Every representation, warranty and agreement of any party shall remain in effect regardless of any investigation made by any of the parties.

(b) (1) If any of the representations and warranties of LSCH or Summit set forth herein shall prove to have been untrue or misleading or if LSCH or Summit omits or has omitted any information from the documents, schedules, instruments and other information delivered or to be delivered to RHS pursuant to this Agreement, and if subsequent to the Closing Date, RHS discovers that the financial condition, business or prospects of LSCH or Summit were materially adversely affected by the information which was misrepresented, misleading or omitted from the required disclosures; or (2) if subsequent to the Closing Date and prior to December 31, 1999, LSCH or Summit incur a liability arising from the conduct of the business of either of them or their subsidiaries prior to the Closing Date, and such liability was either not disclosed on the June 30, 1989 consolidated balance sheet of either of them or was disclosed on such balance sheets but was contingent, and the incurring of such liability after the Closing Date materially adversely affects the financial condition of LSCH or Summit; then (3) upon thirty (30) days prior written notice to LSCH and Summit, RHS may withdraw all system support provided to LSCH and Summit under Section 1.9 of this Agreement, withdraw from or resign its rights as the sole voting member of LSCH as that term is defined under R.S.Mo. Chapter 355, and put the shares of Summit stock owned by RHS (or its designee) to LSCH.

(c) Upon delivery of such notice, the RHS designated directors on the LSCH Board shall resign and the LSCH director on the RHS Board shall resign. Each party shall then be free to amend its Articles and By-Laws as it sees fit to provide replacements for such directors or to reduce the size of such party's Board.

(d) Upon delivery of any such notice, LSCH shall repurchase from RHS, or its designee, all of the issued and outstanding shares of capital stock of Summit. The purchase price shall be the amount of pre-Closing RHS System contributions to the capital of Summit plus any post-Closing capital contributions and advances to Summit made by RHS System entities. The purchase price shall be paid in cash within thirty (30) days after receipt of the withdrawal notice from RHS. If LSCH cannot obtain financing for such

purchase, LSCH may make payment by delivering to RHS a promissory note, payable to RHS, or its designee, in the amount of the purchase price, bearing interest at 2% over the prime rate established by Boatmen's First National Bank of Kansas City, adjusted quarterly, and payable in twenty (20) equal quarterly installments of principal plus accrued interest. Such promissory note shall be secured by a pledge of the shares of Summit stock purchased by LSCH and by other collateral security reasonably deemed adequate by RHS.

(e) Following delivery by RHS of any withdrawal notice, the intercompany accounts receivable/payable between LSCH and RHS System entities shall be netted against each other and the net account receivable/payable of LSCH from/to the RHS System shall be paid in cash within thirty (30) days after delivery of such notice. However, if the net result is an LSCH payable to RHS, and if LSCH is unable to obtain financing for repayment in cash, the net amount shall be added to the promissory note delivered to RHS by LSCH for purchase of the stock of Summit.

(f) Except for payment of the purchase price of the Summit stock by LSCH and repayment of any net intercompany indebtedness, neither RHS nor LSCH or Summit shall have any further obligation to the other under this Agreement following delivery of any notice of withdrawal by RHS to LSCH and Summit. LSCH shall be free upon receipt of such notice to appoint another member or members to replace RHS, to reorganize, merge or consolidate with any other corporation, sell all of its assets or take any other action which the Board of Directors of LSCH deems appropriate with respect to its corporate structure and the continuation of its business, so long as such action will not jeopardize its payment obligations under any promissory note delivered pursuant to this Section 6.2.

Section 6.3 Entire Agreement; Construction; Counterparts.  
This Agreement, including the financial statements, the Exhibits hereto, and the Schedules delivered pursuant thereto, constitutes the entire agreement of the parties and may not be changed, terminated or discharged orally. The headings appearing in this Agreement have been inserted solely for the convenience of the parties and shall be of no force or effect in the construction of the provisions of this Agreement. This Agreement shall be construed under the laws of the State of Missouri and, subject to Section 6.4 hereinafter, shall be binding upon and inure to the benefit of the parties hereto, their respective successors, and permitted assigns. This Agreement may be executed in several counterparts, and each executed counterpart shall be considered an original of this Agreement.



Section 6.4 Assignment. Except as provided in this Section 6.4, no party to this Agreement may assign its rights or delegate its duties to any other person or entity without the prior written consent of the other party hereto. For purposes of the preceding sentence, consent of the Board of Directors of LSCH shall be sufficient consent on behalf of LSCH and Summit. Commencing five (5) years after the Closing Date, RHS may, without consent of LSCH or Summit, assign its rights and delegate its duties hereunder to any corporation which is owned or controlled, directly or indirectly, by RHS. For purposes of this Section, ownership shall mean ownership of at least a majority of the voting stock and control shall mean the right to elect a majority of the board of directors.

Section 6.5 Notices. Notices hereunder shall be effective if deposited in the United States mail, postage prepaid, registered or certified, return receipt requested, and addressed, as follows:

LSCH and Summit: Lee's Summit Community Hospital  
Summit Health Services, Inc.  
530 North Murray Road  
Lee's Summit, MO 64063  
Attn: David J. Maschger, CEO

Copy to: James M. Beck  
Johnson, Lucas, Bush, Snapp  
& Burgess  
1414 Home Savings Bldg.  
1006 Grand  
Kansas City, MO 64106

RHS: Research Health Services  
6400 Prospect  
Kansas City, MO 64132  
Attn: E. Wynn Presson, President

Copy to: Larry J. Bingham  
Burrell, Seigfreid & Bingham  
2800 Commerce Tower  
911 Main  
Kansas City, MO 64105

Either party may change the address to which notices are to be addressed by giving the other party notice in the manner herein set forth.

Section 6.6 Expenses. Each party to this Agreement shall pay its own costs and expenses (including, without limitation, the fees and expenses of its counsel, auditors, and accountants) incidental to the preparation and carrying out of this Agreement.

Section 6.7 Finder's Fee. Each of the parties hereto represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to a brokerage or other fee or commission in respect of the execution of this Agreement and/or the consummation of the transactions contemplated hereby. With respect to brokerage fees or commissions, RHS shall exonerate, indemnify and hold LSCH or Summit harmless against and in respect of any and all claims, losses, liabilities and expenses which may be suffered by them by reason of any such arrangement or agreement made by RHS, its agents or employees, and LSCH and Summit shall exonerate, indemnify and hold RHS harmless in respect of any and all claims, losses, liabilities and expenses which may be suffered by RHS by reason of any such arrangement or agreement made by LSCH or Summit, or their agents or employees.

Section 6.8 Section and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

Section 6.9 Invalidity of Any Provisions. It is the intention of the parties hereto that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of each state and jurisdiction in which such enforcement is sought, and that the unenforceability (or the modification to conform with such laws or public policies) of any provision hereof shall not render unenforceable, or impair, the remainder of this Agreement. Accordingly, if any provision to this Agreement shall be deemed invalid or unenforceable in whole or in part, this Agreement shall be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provisions, or portions thereof, and to alter the balance of this Agreement in order to render the same valid and enforceable.

Section 6.10 Third Parties. Nothing in this Agreement, expressed or implied, is intended to confer upon any person other than the parties hereto any rights or remedies under or by reason of this Agreement.

Section 6.11 Termination. This Agreement may be terminated on or before the Closing Date without liability on the part of any party exercising such right of termination:

- (a) By the mutual consent of all the parties hereto;
- (b) By any party hereto if at the time of Closing a condition to Closing has not been satisfied;
- (c) By any party hereto if there has been a material misrepresentation or breach on the part of any other party of the warranties of such other party set forth herein or

made pursuant hereto, or if there has been any failure on the part of any other party to perform its obligations or comply with its covenants hereunder.

IN WITNESS WHEREOF, the parties have caused their corporate names to be hereunto subscribed by their duly authorized officers.

RHS: -

RESEARCH HEALTH SERVICES

By E. Wynn Presson  
E. Wynn Presson, President

LSCH:

LEE'S SUMMIT COMMUNITY HOSPITAL

By Jerry Hasey  
Jerry Hasey, Chairman of the Board

Summit:

SUMMIT HEALTH SERVICES, INC.

By Jon A. Kreker  
CHAIRMAN of the Board